



TM

CTIA

Building The Wireless Future™

Cellular Telecommunications & Internet Association

October 15, 2002

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
12th Street Lobby, TW-A325
Washington, DC 20554

Re: Ex Parte Presentation
Docket No. 96-45; Docket No. 98-171; Docket No. 90-571; Docket No. 92-237;
CC Docket No. 99-200; CC Docket No. 95-116; Docket No. 98-170;
NSD File No. L-00-72

Dear Ms. Dortch:

On October 11, 2002, the Cellular Telecommunications & Internet Association ("CTIA") represented by Michael Altschul, Senior Vice President for Policy and Administration and General Counsel, and Christopher Guttman-McCabe, Director for Regulatory Policy, along with Roger Sherman, Senior Attorney, Sprint PCS, and Anne Hoskins, Regulatory Counsel, Verizon Wireless, met with Commissioner Martin, Dan Gonzalez, Senior Legal Advisor for Commissioner Martin, and Sam Feder, Legal Advisor for Commissioner Martin. CTIA reiterated its position that the existing revenue-based Universal Service Fund ("USF") assessment system should be retained as the most fair and equitable manner of collecting USF funds. The meeting began with the presentation of an interstate traffic study containing information from six wireless service providers. As detailed in the attached study of six wireless providers, the percentage of interstate traffic carried by those providers ranged from 10 percent to 28.5 percent.

Based on these studies, CTIA acknowledged that it would be appropriate to reexamine the wireless safe-harbor proxy. Under such a scenario, carriers could report traffic data on a quarterly basis to allow for adjustments in the traffic reported as necessary. CTIA also noted that this system, unlike a connection-based fee, would comport with Section 254(d) of the 1996 Act. Furthermore, preservation of the revenue-based USF collection system would also prevent disproportionate harm to no-use, low-use and low-income wireless service users. In particular, the parties discussed the material in the attached presentation.

Pursuant to Section 1.1206 of the Commission's Rules, this letter is being filed with your office. If you have any questions concerning this submission, please contact the undersigned.

Sincerely,

Christopher Guttman-McCabe

Christopher Guttman-McCabe

Cc: Commissioner Kevin J. Martin
Dan Gonzalez
Sam Feder

